VZCZCXRO4557 OO RUEHLH RUEHPW DE RUEHPW #0425/01 2190959 ZNY CCCCC ZZH O 060959Z AUG 08 FM AMCONSUL PESHAWAR TO RUEHC/SECSTATE WASHDC IMMEDIATE 7583 INFO RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 4347 RUEHKP/AMCONSUL KARACHI IMMEDIATE 1588 RUEHLH/AMCONSUL LAHORE IMMEDIATE 1581 RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 0866 RUEHBUL/AMEMBASSY KABUL IMMEDIATE 1210 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0626 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 0488 RUEHOT/AMEMBASSY OTTAWA IMMEDIATE 0578 RUEHTC/AMEMBASSY THE HAGUE IMMEDIATE 0536 RUEHNO/USMISSION USNATO IMMEDIATE 0489 RUEAIIA/CIA WASHDC RUEKJCS/CJCS WASHINGTON DC RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL RUEHPW/AMCONSUL PESHAWAR 4610

C O N F I D E N T I A L SECTION 01 OF 07 PESHAWAR 000425

SIPDIS

E.O. 12958: DECL: 8/6/2018 TAGS: PTER MOPS PGOV PK SUBJECT: FATA AND NWFP: BI-WEEKLY INCIDENTS OF TALIBANIZATION: JULY 16-31

REF: REFTEL: A) PESHAWAR 422, B) PESHAWAR 409

CLASSIFIED BY: LYNNE TRACY, PRINCIPAL OFFICER, PESHAWAR, DEPARTMENT OF STATE. REASON: 1.4 (a), (b), (d)

Introduction:

- 11. (C) As Prime Minister Gilani traveled to the United States in late July, many locals perceived that the military strikes and operations in Pakistan's Federally Administered Tribal Areas (FATA) and Northwest Frontier Province (NWFP) were tactically designed to appease the United States, but not strategically designed to achieve decisive victory against the militants.
- 12. (C) PM Gilani met with a grand jirga of tribal elders throughout Pakistan's northwest on July 21 who promised him they were committed to peace. Jirgas in Hangu, Orakzai, Malakand, and Lower Dir, declared a willingness to organize fighters to resist militants with force. NWFP Governor Owais Ghani said that his government will more actively coordinate with tribal elders and hold jirgas in coming months to put "pressure" on the militants.
- $\P3$. (C) The security situation in the NWFP and FATA continues to be volatile. Militant activity remains constant throughout Pakistan's northwest, with daily reports of killings, kidnapping, property destruction, and intimidation of the population. GOP officials appear to be stepping up their efforts to maintain order. But Ghani's prediction that the militants may be substantially beaten back in the next nine months may be overly optimistic. The GOP may have a difficult time balancing its public commitment to peace agreements while carrying out sustained and aggressive military operations.
- 14. (C) Continued declarations by GOP officials that the government remains committed to peace talks were severely tested with two major military operations in late July. Both in Hangu and Swat, the GOP appeared to "react" to militant assaults rather than conduct planned offensives with a coherent strategy designed to permanently disrupt militant activity in FATA and NWFP. Insecurity and fear spread throughout Swat (ref. A), with government forces killing more than 25 non-combatants, along with militants, making a decisive government victory not yet certain. In Hangu, where the GOP seemed to defeat the militants without losing any of its soldiers, many militants simply fled into the mountains.

- 15. (C) Economic hardship provided the backdrop to militancy in FATA and NWFP in late July. Tehrik-i-Taliban (TTP) Pakistan used high prices as part of its anti-government propaganda. Prices of all basic items have doubled since February, exacerbating a local mood of economic despair and discontent with the government. Particularly acute are shortages and high prices in Parachinar and Swat, where petrol, flour, wheat and other goods sell at least two times prices elsewhere.
- 16. (C) A bitter rivalry between militant groups came to a climax in Mohmand in late July when TTP commander Omar Khalid defeated his rival Shah Khalid's militant group after several days of fierce battles. After TTP executed Shah Khalid, his deputy, and two others, Baitullah Mehsud demanded that Omar Khalid explain why he executed his rivals and set up a probe committee into the executions. Baitullah Mahsud ended the month by demanding an immediate settlement of the conflict between the two groups. Mahsud seems to have retreated from his demand that the ANP-led NWFP government step-down; he has not repeated the demand for over 10 days. See ref. B. End introduction.

Swat: Peace Agreement Falters

- 17. (C) The following is a timeline of significant events according to local press and post contacts through July 31:
- July 16: A government statement accused the Taliban of violating the May 21 peace agreement by kidnapping GOP officials and running eight militant training camps near Peochar. Since the Swat peace agreement, the Taliban has allegedly attacked security personnel 13 times, killing ten.
- July 17: A government statement accused the Taliban of forcefully recruiting about 26 boys, between ages 13 and 18,

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into training camps to use arms and carry out suicide attacks. Parents do not report the disappearance of their children because they fear Taliban retaliation.

- July 18-19: Taliban chief Maulana Fazlullah presided over a two days of "war strategy" meetings with 50 commanders of Tehrik-i-Taliban Pakistan (TTP), Swat chapter. Taliban spokesman Muslim Khan said TTP-Swat agreed to support Baitullah Mehsud's five-day ultimatum for the provincial government to resign, (Ref. B), and devised a war strategy to counter any government operations in Swat. The group also complained that the government violated the May 21 peace deal by failing to withdraw soldiers from Swat.
- July 19: TTP Pakistan announced it will try two government officials in a Shari'a court for "character assassination" after the two had accused the group of training a mentally retarded boy for a suicide attack.
- July 20: The TTP stopped a smuggling convoy of three trucks loaded with wooden slippers and used the event to push anti-government propaganda. TTP said it would continue its anti-bribery campaign and reduce prices after the drivers admitted they had to pay 2,000 rupees per truck to Pakistan Army personnel and 1,500 rupees per truck to Frontier Constabulary personnel for passage.
- July 23: Militants ambushed and killed a man and two female relatives. According to the local police chief, militants killed the three to undermine law and order in the region. Security forces also shot a person dead for violating curfew.
- July 24: The provincial government released two more militants from jail, raising the number of released militants to 16. Maulana Fazlullah held a Shura meeting of local militants to prepare for another operation by security forces.
- July 25: A girls' school and 13 shops were blown up. Militants

blew up or burned down 39 schools in Swat last month. (Note: NWFP Minister for Schools and Literacy, Sardar Hussain Babak, said that 56 schools in total had been destroyed in Swat, and nine in Dir. Babak said that 65% of local girls could not be admitted to schools. End note.) In addition, a barber shop was set ablaze, an electricity pylon was blown up, and a police checkpoint came under fire.

July 28-31: After militants killed three intelligence officials in Swat and took 25 security forces hostage, the army launched an intense offensive against militant positions throughout Swat for several days. Maulana Fazlullah held a press conference, after a year underground, and warned of suicide attacks against security forces throughout the country. (Ref. A).

NWFP

18. (SBU) The following incidents have occurred in the Provincially Administered Tribal Areas (PATA) and settled areas of the NWFP:

July 16, Tank: Suspected militants threw a bomb at the press club that exploded without causing injury.

July 16, Malakand: A bomb destroyed a pool club and damaged several nearby buildings in Batkhela.

July 16, Charsadda: A bomb destroyed a pool club and a mobile phone shop in a Shabqadar market.

July 17, Kohat: A bomb damaged the main gate of the Peshawar Electric Supply Company complaint office without causing injury.

July 18, Tank: Two beheaded bodies and a third with bullet wounds were found near Manzai. Local rumors suggested that the three men belonged to the Mahsud tribe and were spying on the Taliban commander Maulvi Nazeer-led militants.

July 19, Kohat: At least five people were injured when suspected militants hurled a hand grenade at a cinema on a Saturday night.

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July 19, Batkhela: A bomb destroyed a shop owned by a retired army man at a bazaar in Malakand.

July 19, Kohat: The Taliban renewed its threat to kill 29 government officials who were recently taken hostage.

July 25, Peshawar: Police reportedly took a 14-year-old boy into custody after his captors sent him back to his village because he was too young to understand the weapons and training required for a suicide bombing. The boy said that militants kidnapped him from a religious school and threatened to kill him if he revealed anything.

July 28, Peshawar: A report in the English language daily, The Statesman, concluded that "Taliban militants have tightened their grip on three sides of Peshawar, a strategic city of 3 million people." The report cites incidents of Taliban militants roaming the streets in pickup trucks at night and entering mosques and universities during the day.

July 29, Kohat: A bomb attack on a police van, escorting a bus of prisoners, killed a pedestrian and inured 13 others, including five policemen.

July 30, Dera Ismail Khan: Four armed men killed a government worker riding in a rickshaw on his way to the office.

FATA

19. (SBU) The following is a roundup of incidents of Talibanization in the FATA's tribal agencies and frontier

July 16, Bajaur: Militants near Khar reportedly established a Shari'a court to settle longstanding local disputes.

July 16-29, Mohmand: Tehrik-i-Taliban (TTP) commander Omar Khalid reportedly defeated his rival Shah Khalid's militant group after several days of fierce battles in Mohmand agency. TTP reportedly executed Shah Khalid, his deputy Qari Ubaidullah, and two others. Conflicting reports indicate that about 10 militants were killed and dozens injured in the clashes. TTP also captured 118 of Shah Khalid's followers and said it would penalize them "in accordance with the Shari'a law." groups were running separate training camps and roadside checkpoints. Baitullah Mehsud later demanded that Omar Khalid explain why he executed his rivals. TTP set up a probe committee into the executions and threatened that "action would be taken against [Khalid] if he failed to satisfy" its members. Mehsud also expressed "deep grief and sorrow" over the killing of about 10 people in the clashes. He claimed that the dead from the Shah group had recently took an oath of allegiance to him and formally joined TTP. A jirga of 10 religious scholars, led by Dr. Sher Ali Shah, secured the release of 28 men from the Shah group and sought the release of the remaining 50. Baitullah Mahsud reportedly demanded an immediate settlement of the conflict between the two groups.

July 18, South Waziristan: Three dead bodies were found near Wana with a note that said they were executed for being "American spies". In another incident, a man was killed, and two injured, when Maulvi Nazir's Taliban group reportedly attacked a rival group which had supported Uzbek nationals in clashes last year.

July 19-25, Khyber: Ansarul Islam reportedly repelled an attack by its rival, Lashkar-i-Islam (LI), in a continuation of a weeks-long battle for control of the most strategic point along the Afghanistan border that has killed more than 100. LI retreated after attacking the only entrance to Ansarul Islam's headquarters, surrounded by a gorge, in Maidan. One person was reportedly killed and three others injured. AI later refused to cooperate with a peace jirga called by Jamiat Ulema-i-Islam-Fazi (JUI-F).

July 19, Bajaur: Militants kidnapped a member of the Bajaur Levies while he was shopping about 30 km from Khar.

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July 20, Mohmand: Three kidnapped officials of the local accounts department were released after being held for 10 days.

July 20, Khyber: A newspaper reporter who visited Bara Bazaar, stronghold of Mangal Bagh of the Lashkar-i-Islam, wrote: "There was not a single security personnel present in the Bazaar although government officials make daily claims of re-establishing the writ of the government and clearing the areas of militants."

July 21, Bajaur: Militants shot dead pro-government tribal elder Malik Shah Jehan near Khar after ambushing his car. His driver and another chief traveling with him were seriously injured. They were on their way to Peshawar to attend a grand jirga of tribal elders of all seven tribal agencies called by PM Gilani.

July 21: Prime Minister Gilani said he received an intelligence estimate that there were about 8,000 foreign militants in FATA. Rahman Malik, Gilani's interior advisor, said that there were no more than 1,000. President General Musharaff had stated, from 2004-2007, that foreign militants in FATA numbered from 500 to 1600.

July 21, Kohat: Militants blew up the last remaining Khassadar's post in the region, near Darra Adamkhel, after the Khassadar vacated the post for the evening.

- July 22, Bajaur: Militants vowed to set up more Sharia courts for residents to settle their disputes.
- July 24, Bajaur: Militants attacked two checkposts of the Bajaur Levies. At one attack site, a large number of Levies personnel were present at post, but only one of them resisted the attack. Militants kidnapped the Levy.
- July 25, Lakki Marwat: A local court ordered the release of militant leader Qari Sarfaz. Sarfaz was arrested May 19, 2007, for "promoting militancy in the region."
- July 25, Khyber: Gunmen fired on a US container heading from Karachi to Bagram, Afghanistan, near Landi Kotal, injuring one.
- July 25, Bajaur: Dozens of militants took control of four security posts vacated by the Frontier Corps (FC) when they relocated positions. The FC destroyed the infrastructure before leaving the posts and claimed they had no strategic importance.
- July 26, North Waziristan: Ismatullah Moavia, leader of Jaish-i-Mohammad in Miranshah, reportedly ordered the execution of a messenger who had come from Islamabad to explain ongoing dialogue with the government over the Red Mosque. Moavia reportedly became angry when he suspected the messenger's group of negotiating with the government for the "selfish objectives" of getting the madrassa restored and the cleric, Maulana Abdul Aziz, released from custody. The messenger was overpowered, tied, tortured and executed.
- July 26, Hangu: Militants kidnapped the brother of a Hangu official along with his three friends. Militants also attacked the house of a police official who played a key role in the counter-attack against militants in the Hangu operation. His boundary wall was damaged, but nobody was injured.
- July 28, Kohat: Militants blew up a cellular phone tower.
- July 28, Khyber: Mangal Bagh reportedly made his first appearance since the government launched a 13-day operation against him on June 28. Bagh's militants still hold complete control over most of the areas in Khyber Agency, as they did before the operation.
- July 29, North Waziristan: Militant commanders met to express anger over US missile attacks.
- July 30, Mohmand: Local militants reportedly put locks on more than a half dozen computer and mobile phone shops for spreading vulgarity and obscenity and directing the young against Islam.

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- July 30, North Waziristan: Militants reportedly killed a woman after accusing her of spying for US forces across the border in Afghanistan. A note found near Gulzada Bibi's body said she was killed while talking to her US contacts by satellite phone.
- July 31, Bajaur: Around 70 militants reportedly occupied a television relay center and a security post near Khar.
- July 31, South Waziristan: The government abandoned a British-era fort it has occupied for decades as a convoy of around 30 trucks moved troops to Wana, triggering speculations of a major offensive against Baitullah Mahsud. Mahsud's forces occupied the fort a few hours after the government left. The government faced difficulty re-supplying the fort with food and ammunition. Reports also indicate tribal people witnessing an increase in flights of unmanned US drones.

Government Response

 $\underline{\mathbb{1}}$ 10. (SBU) This is a summary of government responses to "creeping Talibanization" according to press and consulate contacts:

- July 16-23, Hangu: The Pakistani Army launched a week-long operation to establish the writ of the government in Hangu after militants killed 17 soldiers and jirga talks faltered. According to DG ISPR Maj-Gen Athar Abbas, the operation succeeded, with 20 militants killed and 60 others arrested, including Amjad, a member of al-Qaeda. Abbas said that five government troops were injured. For additional details, see ref. A.
- July 16, Kurram: A government sponsored jirga established a five-day ceasefire to ongoing sectarian clashes on the Pakistan-Afghanistan border. Hours earlier one of the tribes kidnapped two Levy personnel and one local official.
- July 19, Swat: Security forces arrested a suspected militant during a routine search at a checkpoint near Mingora.
- July 19, Lakki Marwat: A police bomb disposal squad defused an explosive device placed in a bag near a tube-well.
- July 19-20, Orakzai: Militants began to leave Orakzai after a grand jirga of 18 tribes, presided over by political agent Kamran Zeb, threatened to force them out. The Taliban abandoned several check-posts and schools. The tribal elders agreed that they would not allow "a state within the state." Zeb influenced the tribal elders by threatening military and police action. The grand jirga promised to support the government, refuse shelter to foreigners, and to fight them if they tried to disturb law and order. One tribe, the Aakhel, refused to cooperate, because it had signed an agreement with the Taliban three months earlier.
- July 20, Hangu: Members of Karbogha union council announced that anyone who provided shelter to the fleeing militants would be fined two million rupees.
- July 20, Swabi: The Awami National Party (ANP) and the Pakistan People's Party (PPP) coalition government in NWFP asked the federal government to increase funding for the police. NWFP wants 7,500 new police to cope with growing militancy in the settled districts.
- July 21, Peshawar: Prime Minister Gilani hosted a grand tribal jirga at the Governor's House and called upon tribal elders to cooperate with the government in the war against militancy and extremism. He announced a 30% increase in the annual development budget for FATA and promised to build one engineering college and one cadet college.
- July 22, Bara: The Khassadar Force in Jamrud seized a car laden with explosives. The Khassadars believed that terrorists wanted to explode the car in Peshawar.
- July 22, Mingora: Security forces repelled a militant attack on one of its bunkers by killing two militants and injuring several

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others.

- July 25, Peshawar: The provincial government allocated 10 billion rupees for NWFP police it its annual budget. The police funds will be spent on constructing 12 police lines, 60 police stations, and 100 police posts, along with paying police salaries.
- July 25, Swat: Security forces arrested 10 suspected militants during a search and cordon operation that was executed with a 5-7 pm curfew on a major road.
- July 25, Hangu: The district administration held a reconciliatory jirga of religious scholars, elected representatives and political leaders to negotiate between the government and militias.
- July 28, South Waziristan: Well-publicized air strikes

- reportedly killed al-Qaeda operative Abu Khubab al-Masri, along with five others. Taliban chief Hafiz Gul Bahadar held a jirga of 120 figures and accused PM Gilani of killing innocent tribesmen to receive American approval during his visit to the United States.
- July 28, Peshawar: Police announced they will begin publishing a list of the most wanted kidnappers and terrorists in newspapers and provide 14.5 million rupees for information.
- July 28, South Waziristan: The government launched a three-day polio drive where 175 mobile teams will immunize more than 130,000 children up to age five.
- July 29, North Waziristan: Several hundred security forces, backed by helicopter gun-ships, raided a madrassa run by Maulvi Jalaluddin Haqqani. This was the eighth time his madrassa was raided and searched.
- July 29, Peshawar: Police reportedly registered terrorism cases against two tribesmen who possessed hand grenades and Kalashnikov rifles.
- July 30, Peshawar: Police reportedly seized a stolen car from Islamabad loaded with explosives that they claim was intended for a suicide mission.
- July 30, Peshawar: NWFP Minister for Elementary and Secondary Education Sardar Hussain Babak announced that over 400 community schools will be opened next year, along with providing them with qualified teachers and books. (Note: Babak stated that 2.6 million children under age nine could not attend school because none was available. Babak said the province needs 22,000 more primary schools. End note.)
- July 31, South Waziristan: Security forces reportedly arrested three suspected militants during a roadblock operation.

Grass Roots Efforts to Halt Talibanization

- 111. (SBU) The following events are examples of activities taken by local communities to halt the spread of Talibanization:
- July 16, Hangu: Locals in the Dalan and Naryab areas reportedly formed a group of 300 men to protect their area from militant incursion. Elders declared that they would prevent people from entering these areas without proper license plates and vowed to support security force efforts in the area.
- July 17, Peshawar: The FATA Grand Alliance, an umbrella organization of lawyers, social workers and tribal elders, demanded changes in the existing administrative, legal and political structures in the tribal areas.
- July 21, Peshawar: Tribal elders assured Prime Minister Gilani of their full support in the fight against terrorism. PM Gilani stated that "99% of the tribal people are sincere and committed to the country."
- July 21, Peshawar: A student wing of Jamiat-i-Islam staged a PESHAWAR 00000425 007 OF 007
- peace rally to press the government to resist foreign intervention and to stop military operations in the tribal areas and settled districts.
- July 22, Nowshera: Villager Daud Khan killed five militants when they came to his house and warned him to stop giving out loans on interest.
- July 25, Kohat: Two days after the military ended operations in Hangu, a group of tribal elders convinced militants to release eight hostages they have held for nearly two weeks. Dozens of other paramilitary troops and government officials remain captive.

- July 28, Hangu: A jirga of at least eight tribes agreed not to give shelter to outsiders and pledged to cooperate with the local government.
- July 27, Peshawar: A grand jirga of Islamic scholars, lawyers, businessmen and students, organized to demand the release of Shakir Ishaq, kidnapped by four armed men in University Town on April 18.
- July 30, Dir: A jirga decided it will not allow criminals or militants to operate in their area and asked the government not to establish any check-posts in the district.
- July 30, Hangu: In talks with the Hangu district administration, a jirga of elders asked the government to pull out its troops from Hangu. The government sought release of its 50 abducted officials and a promise from the militants to stop attacks, kidnappings, and propaganda.
- July 30, Kurram: A cross-border jirga between approximately 200 tribal elders from Paktia and Kurram agreed to ensure the safety of those traveling in and through their areas.
- July 30, Orakzai: A tribal jirga secured the release of two hostages. Militants kidnapped the two along with eight government workers on June 30 and still hold 23 people.
- July 31, Malakand: A jirga of political leaders, religious scholars, and social workers vowed not to allow either militants or the army to operate in its region.
 TRACY